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**TO THE GOVERNMENT OF ONTARIO**

*[General publication]*

*[G-8]*



# **LEGISLATIVE PROPOSALS**

## **1972**



**SUBMITTED BY**

**ONTARIO FEDERATION OF LABOUR C.L.C.**








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# LEGISLATIVE PROPOSALS

## OF THE

# ONTARIO FEDERATION OF LABOUR, C.L.C.

## TO THE

# GOVERNMENT OF ONTARIO

**Mr. Prime Minister and Members of the Cabinet:**

We welcome this opportunity of appearing before you on behalf of the 700,000 members of affiliated unions represented in the Ontario Federation of Labour, to submit our views with respect to a range of important matters affecting the interests of workers and the people of this province.

The recommendations and requests we are placing before you in this submission are based on the discussions and decisions reached at our annual convention which took place in Toronto last November.

In the past we have had meetings with the different ministers and department heads of your government on specific issues and problems. We believe such meetings have been mutually advantageous and we hope to keep up this practice. We must admit that with the two shuffles of ministers in the past short period, it has been difficult to keep up with who's who in the cabinet.

In this connection we are a bit apprehensive about the reorganization of government along the lines of General Motors. The establishment of the four superministries may very well result in a more efficient government, however, we are perturbed that some departments are being downgraded, the backbencher will have less of a role to play, the legislature may be bypassed, and we fear that the democratic process itself is in danger.

We wish the new Minister of Labour well and hope that we can work with him. However, we fail to see the wisdom of removing Mr. Carton from the portfolio just when he was attaining an expertise in the work and had established such a good rapport with management and labour.

There seems to be a trend in government to replace the making of decisions and the taking of action on the important issues of the day with promises, commissions, select committees and study groups. Passing the buck to Ottawa is another way out but does not necessarily solve the problem. The other method of avoiding action is to shift portfolios. We do not say that this was being done deliberately for that purpose in all cases, but it has had the same effect.

For example, amendments to the Day Nurseries Act were introduced by the then Minister of Social and Family Services last July. More amendments were introduced in December which were designed to broaden the legislation so that those setting up day care centres could receive government financial assistance for operating and for capital expenditures. At that time the Minister announced that the regulations would be issued by January. On January 26 he again promised that they would be issued soon. Since then the Minister moved on and the new Minister is going through the same ritual. In the meantime working mothers, needing day care centres, wait.



Amendments to the Employment Standards Act dealing with notice of termination were hastily written to meet an emergency created by numerous plant shutdowns. We prepared a special brief on this legislation to Mr. Carton. After the Act was in operation for some time, the Minister did agree that the legislation was inadequate. Since then he too has been removed. We now have to convince the new Minister of the deficiencies in the legislation.

Now that your government has received a mandate, we hope you use it to bring about some of the needed legislation and take the measures necessary to bring this province out of the depression, of which the high rate of unemployment is only one symptom.

This will not be achieved by "fiscal prudence and restraint", nor will it be achieved by lowering the education standards and capabilities of our schools and universities, or by witch-hunting amongst those on welfare with the excuse of cutting costs.

Although ours is one of the most prosperous provinces, we still have too many people living in poverty; the numbers of unemployed are increasing; our environment is deteriorating; many of our youth and aged are losing hope; too many people are denied the elementary needs for decent living.

Bold and imaginative programs must be developed in order that all the citizens can share in our wealth and that none are left out of the mainstream of our affluent society.

The private sector will respond if the government shows initiative in the public sector to meet the crisis now confronting us.

## *The Budget*

The budget recently handed down by Mr. McKeough will have no significant effect on the unemployment situation. It has the appearance of being designed to help the poor, but in fact will make the poor poorer. This budget was especially easy on the business community.

It is not surprising that the Manufacturers' Association and business generally were pleased with the budget. Giving an outright gift to the brewers and distillers through a price increase in beer and liquor is irresponsible and unforgivable. A third of the income from the increase will go to these corporations despite the fact that their profits had reached unprecedented heights, and they did not need the increase. The increase in the price of draft beer will hit the workers and students the most. Raising taxes on transportation again hits workers and students the hardest.

Rather than giving more assistance to students, you have raised their fees. It is plain double talk for the Minister to suggest that the universities absorb the fee increase.

By concentrating on the sales tax, a most regressive and inequitable tax, the government is penalizing the lower income people. A sales tax is applied equally to the rich and the poor, but affects a larger percentage of the income of the poor.

You could just as readily have increased the taxes on the resource industries. In fact, you should immediately remove the depletion allowances in the mining and pulp industries, and increase the tax in the other resource industries and in the insurance field.

The Federation welcomes the effort your government is making to reduce the property tax for the lower income groups. We hope that this is the beginning of eventually eliminating the education tax from residential property. We have always maintained that the residential property tax is most iniquitous and hits hardest at the aged who, after paying high mortgage payments and taxes on a home all their life, cannot keep it when they retire, because of the high taxes. Taxes must be based on income.



# Unemployment

Unemployment is the most pressing problem facing Ontario and the rest of Canada today.

Plant shutdowns, extensive employment terminations and layoffs in the past two years have been taking place on a scale unprecedented since the depression of the 30's.

The recent protectionist measures initiated by the American government have aggravated an already difficult economic situation in this province.

The past policies of our governments, both in Ottawa and Queen's Park, which facilitated the American takeover of major portions of our resources and manufacturing industry, and created trade patterns making our manufacturing so greatly dependent on exports to the United States, have put us in an extremely vulnerable position in the face of the present economic offensive of the American government and the self-interest of American corporations.

The present high level of unemployment cannot be attributed to the recent American economic experiment alone. It has been building up for some time as a result of the incorrect economic policies and mismanagement by both levels of government in our country.

Although much of the blame for the mess can be laid at the door of the federal government which deliberately created most of this unemployment through its misguided efforts to curb inflation, the fact is that the Ontario government did very little to save this province from the disaster affecting the rest of Canada.

The OFL said in a brief to the legislature as far back as 1968:

*It is the duty of the government to resist and to correct imbalances in the economy. However, we believe that full employment should be a commitment of the highest priority and there are far better ways of dealing with the threat of inflation than by abandoning that commitment. Solving the problem by a "little" unemployment is unjust, costly, often ineffective, and quite unnecessary.*

*We are concerned by the recessionary atmosphere created by federal monetary and fiscal policy. Although it is true that some of our problems stem from the cut-back in spending and monetary restraint policies of the government in Ottawa, your government, representing the most prosperous province in the country, has through its actions mirrored those same policies.*

We repeated our warning and advice in subsequent briefs. In our submission to the provincial cabinet last spring, we stated:

*We believe you are aware that the U.S.A. is planning to reverse its present liberal international trade policies in favour of more protectionism. This would have a serious effect on the economy of Canada and in particular on Ontario, a highly industrialized province dependent on export to the U.S.A. You must use your good offices with the federal government to demand that they fight this trend.*

As you are well aware, our prophecy and warning was upheld by subsequent actions of the American government. The tight monetary policies, the federal government's ill-advised and disastrous efforts to curb inflation, and the resulting unprecedented high rate of unemployment, directly or indirectly, forced many of the plants to close, or to cut the work force. As of January, there were 189,000 workers in Ontario without jobs. For Canada the figure was 665,000. Almost half of these have been unemployed for four or more months. This duration of unemployment is the longest that has occurred in the past decade.

Much of the current crisis can be laid at the feet of the various levels of government. Instead of adopting fiscal measures such as reducing the tax rate and making it equitable, thereby stimulating the economy and improving the job market, the governments have devoted their main energies to public relations to minimize the public awareness of the crisis. The federal government even went so far as to blame the public for the slack in the economy,



when in fact it was they themselves that put the brakes on.

The federal government carried on a PR campaign to mislead the public into thinking that the economy was making a turn for the better, despite evidence to the contrary. Even to this day, they persist with the same approach in spite of the fact that unemployment is at a new high. A new gimmick was invented — they tell us now that it is not unemployment that has increased but that there has been an increase in the “participation rate”.

There was no justification for the tight monetary and fiscal policies. There was no runaway inflation. Compared to other industrial countries our situation in this respect was better than most, and still is.

The unemployment we have today has been deliberately created. The plant shutdowns, some of which were caused by this same policy, cannot be properly resolved in such a climate. It seems an exercise in futility to train and re-train workers for jobs that do not exist; to relocate workers to other areas that are having the same problems; to give workers notice of layoff so that they can look around for other jobs that aren't there.

The source of the high unemployment is not in labour market imbalance, but in the market for goods and services. We have been unable to use all the goods and services that we have a capacity to produce because not enough people have the purchasing power to buy them.

Evidently the traditional methods of fighting inflation are not effective today. Unemployment is not working. Tight money is a blunt

instrument; it hits hardest those people who can least resist its effects. It affects badly those regions that have the least economic strength. Tight money as a cure for inflation is worse than the disease.

To meet the unemployment crisis and to salvage our economy from the onslaught of the recent American moves, we must do a number of things and do them quickly.

We need to stimulate the economy. This could be done with a tax cut graduated to help the lower income groups. Both the federal and provincial governments must immediately re-structure the tax system to make it more equitable, put more money into the hands of lower income groups which would stimulate demand and create jobs.

There has to be an immediate program of increased public investment and expanded public services. A program of large expenditure on sewage treatment plants, mass transit, health facilities, schools, libraries, day care centres and a massive low income housing program should be started.

Municipalities must get more help to relieve them of their overburdened property tax and high education costs.

Old age pensions must be increased immediately, the tax on building materials must be removed, exemption and depletion allowances to resource industries must be removed.

We must promote and develop the job intensive secondary industries, process more of our own resources, gear more of our manufacturing to the export market and develop new trade patterns for our exports.

## *Plant Shutdown*

In the past year Ontario has had more plant shutdowns and greater reduction of employment than in any one decade since the financial crash of the 30's. Our survey “SHUTDOWN:

The Impact of Plant Shutdown, Extensive Employment Terminations and Layoffs on the Workers and the Community”, published last fall, showed that the situation was more severe



than press columns disclosed, and much more serious than the initial reports reaching our office from all parts of the province indicated.

In view of the economic climate in this country in the past couple of years, and the present high rate of unemployment in general, many of these workers for all intents and purposes have been banished to the industrial scrap heap.

If this large number of workers were on strike, there would be emergency sessions of the legislature to get them back to work.

In addition to the tremendous hardship imposed on the workers directly involved, there is no doubt that the plant shutdowns have wide-ranging implications for the province as a whole.

Our survey of plants, only those that have had 25 or more workers terminated or laid off during a one year period from June 1970 to June 1971, showed that 138 plants were affected. In total 16,224 workers either lost their jobs or were laid off. Our observation was that many of those officially "laid off" were in fact terminated. Over sixteen thousand workers lost their means of support; and this figure does not include thousands of workers who lost their jobs in plants that had less than 25 terminations or layoffs each (and which were not included in the study), or in shutdowns that occurred since the study was written. Nor does this include the many thousands who lost their jobs for other reasons. In the period of 1970 and the first eight months of 1971, there were 1,102 business failures in Ontario.

Some plants were shut down because of poor management and inefficiency, others because of an inferior end-product, still others because of competition (in some cases domestic, and in others foreign), and lack of restrictions on foreign goods. A good many plants were closed because the decision to close was made elsewhere than in our country — this was the case with branch plants or those that were foreign-controlled. But a large number were closed because of the uncertain economic situation in Canada and also in the U.S.A.

Although we don't believe Canadian corporation managers are any more humane than

American, we do believe Canadians should make the decisions vital to our economy and our social goals.

A planned and expanding economy with equitable tax laws, a coordinated social welfare system and a redistribution of income, are all essential to creating the kind of economic climate in which the bad effects of plant shutdown and unemployment can be minimized.

Whether increased efficiency through advanced technology, new innovations, or reorganization of production, is or is not the result of greater efforts or improved skills of the workers, since production is a joint endeavour, all employees should share in the increased productivity of technological advance.

Everyone who wishes should have the right to gainful employment. Everyone should be entitled to the preparation, education and skill training necessary to obtain employment and make a contribution to the economy. This may mean acquiring more than one skill and participating in more than one occupation in one's lifetime. This may also require relocation. Mobility programs should be strengthened with moving and other extraordinary expenses, geared to distance and size of family, being provided.

Our abundance of natural and human resources, our innovative capabilities, and the increased education and skill of our work force, have raised our productive capacity to unprecedented heights. With proper sharing-out of work and a redistribution of income, we could have worker sabbaticals, a shorter work year and a four-day work week. The age of retirement can be lowered considerably. All these measures would spread out the work and ameliorate the hardships of dislocation due to technological change and plant shutdown.

If we are to enact meaningful legislation and evolve an industrial relations system to cushion the detrimental effects of plant shutdowns, relocation or consolidation, we will have to have some ground rules and laws under which foreign-controlled plants operate in this country. In addition, we should work towards restoring to Canadians economic control of in-



dustry operating in this country. Public assistance to private corporations in order to help them maintain or gain Canadian control is one way of achieving these objectives; another way is joint public-private ownership of industry; and thirdly, nationalization of certain industries where this would best serve the public interest.

Company pension plans will take on added significance as a vehicle for cushioning the effects of employment terminations. Legislation should make pensions a negotiable item in contract talks. The legislation on pensions is long overdue for review and change.

The legislation on employment terminations in the Ontario Employment Standards Act and Regulations is woefully inadequate and will need many amendments to make it effective. It should be amended to make eligible for six months' notice or payment in lieu of, any group of ten or more workers whose employment is terminated or who are laid off for more than eight weeks regardless of the reason, including if the termination or layoff takes place during a strike or lockout or during vacations.

Severance pay of one week's pay for each year of work should be mandatory in all enterprises, and should be placed in escrow and administered by a government agency.

New amendments should make it mandatory for management to meet and cooperate with the Canadian Manpower Consultative Service and the Ontario Manpower Department in programs of phasing out plant shutdowns or resolving large layoffs.

The manpower departments should be revitalized. There should be continuous coordination and analysis of labour supply and demand. In order to evolve a properly planned manpower program, sensitive to the needs of the work force, all placing and hiring should be done by one central government manpower agency that would know exactly what is going on in the job market. Commercial and private hiring agencies would then be unnecessary.

The human cost of technological or other change, plant shutdown, and worker displacement, must be initially borne by industry. Where necessary society as a whole should ab-

sorb the rest of the cost of long-range cushioning measures on behalf of the workers and the community.

Legislation should provide for a regulatory role for government agencies and informed neutrals, but should also recognize the need for new mechanisms in collective bargaining, adapt the Ontario Labour Relations Act to resolve the complex problems that do not fit into the traditional collective bargaining "as usual" pattern and for which the present legislation is inadequate. The law should permit the union to effectively negotiate with the right to strike as a final determinant during the term of a collective agreement on all issues that could not have been foreseen at the time of the signing of the agreement.

A company contemplating plant shutdown should be compelled to show cause for its decision, and should submit to a feasibility study if its reason for shutdown is unviability of the operation. If the enterprise is economically viable and the company persists with its decision to shut down, the Ontario Development Corporation should take over and operate the plant for the benefit of the public treasury and to preserve the jobs of the workers involved.

Branch plants should operate under special rules. In an effort to make foreign-controlled branch plants behave as good corporate citizens, the government should impose economic sanctions on them if they become runaway plants. This can take the form of an embargo on imports; or boycott of the parent firm's products; taxation; monetary fines; etc.

There should be more cooperation between the Canada Development Corporation and the Ontario Development Corporation. The main function of the O.D.C. is economic development, but the O.D.C. must be given a proper orientation — it must become one of the vehicles by which we will regain control of the economic life of this province. Funds from the private sector and the financial institutions should be channelled through the O.D.C. into enterprises and areas that meet the public sector's priorities of economic planning.

Loans or grants made to industry should be only on condition that the O.D.C. gets a fair



return on its investment or else shares in the ownership and management of the corporation.

The O.D.C. and the Regional Development Branch of the Department of Treasury and Economics should plan and decide jointly where new industry is to be located or which industry is assisted, in conformity with province-wide

planning which integrates the regional development work done by the O.D.C.

There should be a continuing tripartite dialogue between labour, management and government on establishing ground rules on plant shutdowns, extensive employment terminations and layoffs.

## *Economic Nationalism*

Canada has a branch plant economy and no part of Canada is more affected by the colossus to the south than Ontario.

This province has about three-quarters of its manufacturing industry and a substantial part of its resources under foreign control. The erosion of our independence is causing great anxiety to the people of this province, as it does to all of Canada.

Our close relationship with the United States is indicated by the fact that 65 per cent of our total exports go to that country as do 85 per cent of our total exports of manufactured goods.

To the extent that foreign control of our economy affects the economic climate in this country and mitigates against finding a swift solution to the problem of the severe incidence of unemployment that we are experiencing, the action your government takes on this problem is of crucial importance to our affiliated unions and their members.

In fact, of all sectors of our society the working people have the most to lose by lack of action in resolving this important problem of the erosion of our national independence.

We hope that some of the bold rhetoric on economic nationalism made by the present cabinet ministers during the leadership race last year has not been forgotten.

A narrow nationalism is not the answer to the problem. What is needed is a moderate and healthy approach to create a society and a way of life that is uniquely Canadian, economically equitable, prosperous, more humane and just.

In short, we want to be masters of our own destiny.

But the federal government is dragging its feet on this question which makes it more imperative for Ontario to take the lead and act.

The heavy layoffs and plant shutdowns in Ontario show how urgent the problem is. (See OFL study on this for further details).

Action must be based on the goals set out by the Economic Council of Canada in its First Annual Review: full employment, a high rate of economic growth, reasonable stability of prices, a viable balance of payments and an equitable distribution of rising incomes.

We see the need for continued foreign investment which is not contrary to our national interests, and does not represent a danger to the sovereignty of Canada. However, we must have functional control of our industry. We must have control of our resources and resource industries, and the conservation of these resources.

Foreign as well as domestic companies should have to meet strict standards of operation and performance including anti-pollution and industrial relations policies.

Nationalization is not the universal solution to Canada's problems but is one method of economic control. We want a proper mix of foreign and domestic investment. We will have to encourage our nationals to invest in Canadian enterprises.

We are interested that foreign companies in Canada make a firm commitment to do research and development in this country, em-

playing Canadian technical and managerial personnel; we are concerned that these companies fit in with our priorities and economic and social objectives, and observe our trade requirements with other countries regardless of the attitude of the home office. Rationalization of our industry is often prevented by American anti-trust laws, applied through their branch plants. We object to the U.S. applying its Trading with the Enemy Act to prevent or restrict our trade with countries with which the U.S. is unfriendly. We resent the extraterritorial extension of U.S. laws and government regulations to Canada through its subsidiary firms.

Both the Ontario and the federal government must develop more trade patterns with other countries so that we are not so dependent on the U.S.A. We should limit growth of certain industries especially those based in the United States that might not fit in with our priorities of economic planning. We must protect the auto pact.

Capital must be mobilized through the O.D.C. to develop Canadian enterprise. The government, through the O.D.C. and other means, should ensure the development of industries and other enterprises vital to the future of our economy which neither foreign nor domestic private enterprise has developed. Ontario Development Corporation loans and grants should be given to Canadian firms rather than foreign. We should ensure that investment in the public and private sectors is allocated with some concern in mind for our socio-economic priorities.

Ontario already has some power under "property and civil rights" to require some disclosure of information, to license firms to operate, to control and regulate them, to make grants and loans. This should be further extended.

It would be silly to assert Canadian independence at the cost of driving out essential industries or at the cost of "buying back" foreign-controlled industry holus bolus. It means that we will have to make the Canadian presence felt to a greater extent in the economy of our province. We must encourage both private and public capital to invest in Canadian enterprises. We have the resources and skills and must concentrate on developing industries that have a Canadian uniqueness.

We are critical of the Interdepartmental Task Force Report in that it does not offer a program of action. Too much emphasis is placed in this report on what we would characterize as "passing the buck" to Ottawa.

In the last few years, the public has shown it is prepared to see the government take action on this matter, yet the politicians are procrastinating.

Unless we intervene and assert our autonomy, we will continue to be the world's richest underdeveloped country; we will continue to have our economic potential unrealized; we will continue to have a growing unemployed labour force; and we will deprive our children of their rightful heritage.

## *Auto Pact*

We are heartened by the reference in the Speech from the Throne that your government will continue to make constructive proposals to the federal government to safeguard the auto pact.

This becomes urgently necessary in view of the widespread unemployment in this country.

However, it is not enough to just preserve the present agreement. We must press for im-

provements in the pact so that our production dollar value is equitable with our sales dollar value. We must have more of a share of the auto parts industry, more of the skilled job operations, as well as research, development and design, and more building of machinery to produce parts. The research, development and design could well be done in Canada, at least for one or two of the compacts.



The factory retail prices should be equalized in Canada and the United States. There is no logical reason why a compact assembled in Canada should be priced higher in Canada than it is in the United States.

In the interests of protecting our auto industry, we urge your government to take a

strong stand against the allowing of duty free import of new and used cars from the U.S.A.

The Canadian Labour Congress, our parent body, has dealt quite extensively with this matter in its representation to the federal government, and we associate ourselves with their stand.

## *Labour Relations*

There is a concerted effort being made to destroy the collective bargaining system that we have today. This manifests itself in the current cries for compulsory arbitration, efforts to deny certain workers the right to withdraw their labour, and attempts to impose legislation to restrain workers from achieving a modicum of justice in the workplace.

There are those who wish to persuade the public as well as the government that unions are somehow irresponsible and inimical to the public good. This we challenge. These attacks are efforts to undermine the labour movement and should be recognized as such.

Unions are an important and necessary element of our society. They are much more than mere economic devices to help working people in their relations with employers — although this is one of the fundamental reasons for their existence. Because they have been able to elevate the status of the worker to that of a self-respecting person, unions have added strength to the democratic structure, have expanded the area of freedom within our democracy, and have made possible the avoidance of the violent social conflicts in countries where workers have been deprived of the freedom of association which we have here.

We take pride in the contribution unions have made to the general well-being. Higher wages have provided not only an increased standard of living for union members, but for others as well. Unions have contributed to the achievement of the shorter work week, the minimum wage, unemployment insurance, health and welfare plans, hospitalization, medi-

care and old age security. That this province has one of the highest standards of living is due in no small measure to the efforts of trade unions.

By giving workers a collective voice at the bargaining table the labour movement has given the workers a degree of democracy in industrial relations. By the same token the workers have been given a voice in community affairs. The unions have played a useful and necessary part as the spokesmen for large numbers of otherwise voiceless and helpless people in the face of indifference and exploitation.

Unions have brought constitutional government into industry. The collective agreement is an industrial constitution and all workers benefit by the citizenship it confers. Without unions and collective bargaining, industry would be a dictatorship of the employer.

However, as long as the present two-thirds of the work force remains outside of labour's ranks we will be powerless to make any meaningful improvement in the material and social well-being of that large section of workers. Apart from all the other reasons, there are some legislative roadblocks in the way that prevent us bringing these workers into the mainstream of organized labour. This will have to be changed.

Your government has acceded to our demand that the Labour Relations Act contain a preamble spelling out the intent of the Act. The preamble indicates that your government recognizes that the collective bargaining process is an important adjunct of the industrial system

and a necessary component of a democratic society. Therefore, anything done in this area by the government should be to enhance this process, improve on what has been achieved and make industrial relations and collective bargaining workable, efficient and equitable.

Yet we have a situation where professional strike-breaking outfits are licensed by the government, aided and abetted by the police in their nefarious activities, use doberman dogs on the picket lines, wire-tap union offices, and the ring leaders suffer only a token fine when convicted — in effect, a license fee to carry on their despicable activities.

Here we have a former Minister of Labour who was later Minister of Commercial Affairs. Here we have another former Minister of Labour who is now the Attorney-General. Both these gentlemen know that these companies using Canadian Driver Pool Ltd. and other strike-breaking outfits are not interested in free collective bargaining, but are intent on smashing the unions so that they can continue to pay substandard wages, so that they can continue to have a master-slave relationship with their workers. Yet nothing is done.

We have a situation where immigrant workers on the one hand are exploited by the companies, and on the other hand are used as strike-breakers by outfits such as that headed by Mr. Grange.

Surely if the government means what it says in the new preamble to the Act:

*it is in the public interest of the Province of Ontario to further harmonious relations between employers and employees by encouraging the practice and procedures of collective bargaining between employers and trade unions as freely designated representatives of the employees. . .*

then the government has a responsibility to disallow these professional strike-breaking outfits from operating in this province, and in fact make it unlawful for any outside strike-breaker to be used in a legal strike. We will have more to say on this question in a special report that is now being prepared.

We have criticisms of our labour laws and their administration. They still favour the em-

ployer, they are restrictive rather than permissive, they do not encourage bargaining in good faith, and they are discriminatory in their application.

Despite these shortcomings it has to be said that there is much on the credit side in our system of industrial relations. We have made progress. Labour-management relations have evolved considerably. While we are continuing to search for long-term solutions to the problems of industrial strife we can see progress along the way.

Perfection is not the goal of industrial relations. Fairness and justice are the goals. And in this we have secured some success even with the inadequate system that we have. We will not find solutions to the problems of industrial relations by abandoning what we have built over the years. We have to improve on what we have. It was always with this in mind that we criticized certain laws and procedures.

The Ontario labour relations system suffers from an over-emphasis on attaining industrial peace, and too great a reliance on law and litigation at the expense of developing private machinery to settle disputes on a basis of human understanding.

There are those who are still preoccupied with the notion that strikes are “a residual of the primordial society” and that the whole collective bargaining process is conducted by jungle warfare. They lose sight of the fact that collective bargaining as we know it, despite its failings, is the best method we have yet been able to devise for preventing or at least limiting this warfare.

Essential to the functioning of a democracy is the adversary system. In such a society, with a free market economy, to eliminate all conflict would be neither possible nor desirable. In labour relations it would be done by curtailing or restricting the rights of one side — that group would be labour. For it is labour that initiates change. Management is for the status quo.

History has shown that where freedoms have been curtailed, conflict did not disappear.



We quote from the Task Force on Labour Relations Report:

*Paradoxical as it may appear, collective bargaining is designed to resolve conflict through conflict, or at least through the threat of conflict. It is an adversary system in which two basic issues must be resolved: how available revenue is to be divided, and how the clash between management's drive for productive efficiency and the workers' quest for job, income and psychic security are to be reconciled.*

*For the most part Canada has deliberately opted for a system in which disputes over these matters may periodically be put to a test of economic strength in the form of a strike or lockout. Although this system may seem costly, it may well be more healthy and less expensive in resolving labour-management disputes than any other method.*

The remedies to our industrial ills lie in encouraging and assisting labour and management to develop more effective collective bargaining and dispute-settlement procedures through voluntary agreement. They lie in skilled and more readily available mediation services, and they lie in legislatively imposed obligations on the part of so-called essential industries to deal in good faith with the unions of their employees.

Specifically our proposals are:

- Everyone who wishes to work must have a job.
- The right to join a union at one's place of work should be a right of all who work for wages or salaries and should not be circumscribed in any way.
- Union check-off should be a condition granted with union certification.

- The right to free assembly, picketing and demonstrating should be enshrined in law.
- There should be a minimum of interference by third parties in the collective bargaining process.
- Bargaining in good faith should be spelled out in the legislation.
- The Labour Department should supply a service to unions and management on financial data, on corporate relationships, wage rates and working conditions in related industries.
- Conciliation and mediation officers should be chosen for impartiality and trained for the purpose of mediating labour disputes.
- All workers should have a right to and equity in their jobs.
- Outside strike-breakers should not be allowed.
- Organized workers should have the right to negotiate all items that affect them — pensions, medical plans, safety, environment, technological change, plant shutdown, etc.
- All workers should have the right to withdraw their labour. The same right should apply at any time during the term of a collective agreement on such items as could not be foreseen at the time of signing of such an agreement.
- Injunctions in labour disputes should be abolished.
- Unions should have the right to run their internal affairs free from outside interference.
- Industry-wide bargaining should be encouraged by legislation in those industries where such a move would improve the welfare of the workers and the stability of the industry concerned.

## *Employment Standards*

We have submitted our criticisms of the Employment Standards Act and Regulations as they relate to employment terminations to the two former labour ministers and also in our last submission to the Cabinet. We have

also enlarged on this subject in the study "Shutdown", so our views should be well known to you.

Technological change, worker displacement for whatever reason, and plant shutdown or

relocation should be properly the subject of negotiation between management and labour. If such changes are introduced between the signing and termination of contracts, the contract should be re-opened for negotiation. This can only be achieved by legislative changes in the Employment Standards Act and the Labour Relations Act.

Not only should such changes be negotiable but in the event agreement is not reached, the union should have the right to strike during the term of the contract.

If changes are to be introduced which would displace more than 10 workers, it should be mandatory that tripartite consultation of labour, management and government be established to ensure that all avenues be explored to solve the problems of the workers; that they be given adequate notice of termination or lay-off, and that if possible they be retrained or have their training upgraded; that attrition be utilized for displacement; that the possibility of early retirement be looked into; and that the best interests of the workers and the community be taken into account.

Generally we found the Employment Standards Branch very prompt and effective in dealing with problems within their purview that we have drawn to their attention. However, we believe the government has been too lenient in applying the legislation in its dealings with the Telegram shutdown. Although the Act forbids employers to alter wages or other terms or conditions of employment of employees who have been given notice of termination, the government did not prevent the Telegram management from doing just that. We hope that the

current investigation brings the facts to light and that the government sees that the workers involved are compensated, and eliminates any loopholes in the legislation which permit employers to subvert the intent of the Act.

Another matter that concerns us greatly is the large number of employers cheating workers out of their full minimum wage and vacation pay. \$2.6 million was collected from such employers in 1971 according to a Department of Labour release (these were only the ones that were caught). We believe the present 10% penalty is not enough to encourage recalcitrant employers to honour their responsibilities to their employees.

We further urge that the government enact legislation to reduce the work week to 40 hours from the present out-dated 48. Several jurisdictions in Canada have a work week of less than 48 and Ontario should be amongst those setting the lead. A 48-hour work week is an anachronism in today's society and in particular when there is so much unemployment.

When the minimum wage was changed from \$1.00 to \$1.30 the Department of Labour did a study, the results of which showed that the employers' fears of plant shutdown as a result of the wage increase were unjustified. Since then, we understand another study was done on the effects of the change from \$1.30 to \$1.50. Is there any reason why this study has not yet been released?

We believe the minimum wage should be \$2.50 an hour if we are to move those workers working at the minimum rate out of the poverty level.

## *Equal Opportunity*

Section 8 of the Women's Equal Employment Opportunity Act expressly forbids advertising notices to be placed limiting positions to applicants of a particular sex or marital status. This legislation is treated as a farce by the majority of newspapers in the province; they

ignore it, and the government does not enforce its legislation.

The Age Discrimination Act is also often ignored.

These two statutes should be tightened up and the legislation more strictly enforced.



## *Sunday Closing*

We commend the government for designating certain days as statutory holidays and for making provisions for premium pay for work performed on those days. However, the provisions no longer deter the big retail outlets from staying open on statutory holidays.

Chain milk stores which are supposed to be selling essentials are expanding their sales to include a wide variety of non-essential merchandise. To compete, other businesses will be forced to stay open on those days. This creates hardships for workers in these enterprises who would like to spend the holiday with their families and friends.

The OFL and affiliated unions in the retail field have participated with other groups in the Ad Hoc Committee on Sunday Retail Selling and have made representation to the Law Reform Commission taking the position that chain milk stores should not be allowed to stay open on Sundays. This is along the lines of the present Quebec legislation which we urge you to study and implement in Ontario.

If the trend to a wide-open Sunday is not checked now, there will be no uniform day of rest for large numbers of workers, family life will suffer, small businesses will fail and costs of groceries and other goods will go up.

## *Workmen's Compensation*

Ontario has had the distinction of being the leader in providing benefits under our Compensation Act. The Act is now in need of amendments to raise benefits in accordance with present day needs.

We note with great interest the announcement by the Minister of Labour of British Columbia that he has submitted a bill to the legislature to provide for increases in Workmen's Compensation benefits in that province.

It is our hope Ontario will follow the lead of B.C. and during this sitting of the House, bring in recommended changes to the Compensation Act.

We have prepared a special brief on workmen's compensation which we hope to present to the new Minister of Labour at the first opportunity.

At this time we do not intend to comment on the controversy surrounding the Workmen's Compensation Board, which at the time of writing was being investigated by a Select Committee of the Legislature. Our main concern is that the worker who is injured gets the necessary assistance from the W.C.B. Anything that distracts the Board from its main purpose can only harm the worker.

## *Health Services*

Adequate health care is the right of every person. The objective of a satisfactory health services program must be to provide all members of the community with professional services of the highest possible standard without regard to the economic status of the individual.

To achieve this objective, it is essential that the health services are so organized that people have easy access to efficient services, and are planned so that the medical practitioner is able to devote a large part of his time to positive health measures — preventive, educational and

remedial — with the ready assistance of specialist, consultant, ancillary and other related services.

The professional personnel of the health services should be assured the opportunity and the facilities for the maximum employment of their knowledge and skill, under conditions of practice which allow sufficient leisure for study and recreation and provide adequate remuneration and security.

Good health, of course, depends on much more than mere medical care. For optimum health, decent housing, proper clothing and sufficient and nutritious food, are essential. So is a satisfactory mental environment such as obtains when the individual is doing useful work suited to his temperament and abilities, under circumstances in which the fears of economic disaster are removed.

Proper health planning thus requires concern with and integration of all measures which affect the well-being of the community.

The adoption of hospital care and medical care as public services in Canada in the last generation, the improvement in social welfare measures added to a gradual but notable betterment in standards of living, as well as other measures, have brought about better health standards and conditions.

The infant mortality rate is considered a fair indicator of the standard of health care in a nation or region. In 1950, the infant mortality rate in Canada was 41 per 1,000 live births; in 1969, 20.8. In 1950, the infant mortality rate in Ontario was 34.5 per 1,000 live births, in 1969, 17.6. In both Canada and Ontario, the infant mortality rate has been halved in about a generation — a creditable improvement.

However compared with other nations, neither Canada nor this, its wealthiest province, is doing exceptionally well. In 1950 Canada's infant mortality rate was 15th among the nations for which figures were available. In 1969, Canada stood 13th.

Health conditions have improved in Canada and Ontario, due to some extent to improved economic conditions, but the nation again is facing economic and social stresses which are

already showing up in such areas as drug abuse and venereal disease.

The Federation proposes government support for more community health centres such as those in Sault St. Marie and St. Catharines as one way of dealing effectively with growing health care costs and problems.

Today if a practitioner is to do efficient work, he should have at his disposal modern facilities for diagnosis and treatment, he should have easy and convenient access to consultant and specialist services, and he should be in a position to collaborate with consultants.

A study by the University of Toronto School of Hygiene found that Sault St. Marie clinic patients spent up to a third less time in hospital than other Sault St. Marie patients, indicating that fewer operations were done when there wasn't an additional fee to be gained. In addition, the average cost per laboratory procedure is about half of the fee provided in the Ontario Medical Association schedule.

The programs in the two centres mentioned emphasize preventive as well as diagnostic, curative and rehabilitative services available in one easily accessible facility — personal physician services, prenatal and obstetrical services, pediatric care, annual check-ups, eye examinations, surgery, prescription drugs. They are making positive contributions to health care in their areas and should be aided and encouraged.

There are many lessons to be learned from the experiences of these centres as a result of which, in our 1969 convention policy statement on medicare, we urged the Ontario government through its health services to provide advisory and financial support for community health centres.

We regret very much that nothing positive along these lines has been done, although we were assured by the previous Minister responsible that action would be forthcoming. We again urge the Ontario government to play an active role in the support and development of community health services.

No one who is remotely aware of the situation in Ontario with respect to mental health patients would even dream that conditions are



either laudable or tolerable. Today about one out of every eight Canadians spends some time in a mental institution while the increasing number of aged in the population is increasing the load in mental hospitals.

More money is being spent on taking care of people sentenced to jail, than on the hospitalized mentally ill. Four times as much is spent on the physically ill as on the mentally ill. The average cost of keeping a patient in a general hospital in Ontario is around \$40 a day. This may be high, but only \$13.12 is spent in keeping a patient in a public psychiatric hospital and \$22.50 to keep a person in jail.

The OFL calls for the same standard of treatment for the mentally disabled as is available for the physically ill. We also urge changes in the legislation covering mental illness to provide safeguards for mental patients along the lines of legislation adopted in Great Britain in 1959.

Ontario needs adequate community mental health clinics to treat mental cases on an out-patient basis as well as more halfway houses for the convalescence of discharged patients.

We have supported the inclusion of chiropractic services under the health insurance plan. We are happy to see these were included effective July 1, 1970.

The OFL supports the Denturist Society of Ontario whose objective is to win the legal right to deal directly with the public in the provision of dentures. Substantial savings would be available to the public if such legislation were enacted. Moreover the essential services of fully qualified dentists could be made available to more people if dentists were relieved of some responsibilities in fitting and supplying dentures.

The OFL also supports the training of dental auxiliaries, hygienists or nurses who could, as they do in Great Britain and other countries, supplement the work of dentists by administering local anaesthetics, preparing and filling cavities and extracting teeth of children. Dental nurses have been used in the Yukon since 1964.

There is a great need for medical technologists and partially trained practitioners. We

are not moving fast enough to provide paramedical training facilities in the Colleges of Applied Arts and Technology. We understand that this is now under study, but because of the requirement for new buildings and facilities and because of the uncooperative attitude of the medical profession, it may be years before a real start is made unless the government acts expeditiously.

As for hearing aids, present costs to the consumer average about \$250 with a range in price from \$85 to \$475. But two British hearing aids, tested by the Canadian National Research Council compare favourably in quality with about 200 others available from various North American sources, yet cost less than \$20 each.

These figures indicate a high level of profiteering which suggests that hearing aids should be made available through a public agency at important savings to the public.

Drug costs are too high. Ontario's PARCOST program has promised much but accomplished little. The PARCOST program was intended to encourage doctors to prescribe generic drugs instead of brand name drugs, when they are of equal quality and cost less. It was also intended to put a ceiling on pharmacists' charges.

Apart from the fact that some doctors refused to cooperate, PARCOST has so far failed mainly because it has not inhibited the big drug manufacturers who control the North American industry and are making exorbitant profits on brand name drugs. If the PARCOST program produces as little result in the next year as it has in the last, then public manufacture of costly drugs, the dispensing of drugs to the public from hospital pharmacies, bulk purchase of drugs by the government and their distribution from publicly-owned dispensaries, should be instituted.

The OFL welcomes the reduction in OHIP premiums that became effective this year. The lower income families will get modest premium reductions while those with no taxable income and persons over 65 would pay no premiums for OHIP services. However, the cuts did not go far enough as a four-person family earning,

say, \$7,000 a year or \$70,000 a year will both pay the same premium.

The OFL's objective is the elimination of all premiums as in the four eastern provinces. Preventive health measures should be stepped up while the burden of sickness should continue to be removed from the lower income groups who suffer most from society's dislocations and strains.

In a circular sent out by the Ontario Health Insurance Commission prior to the last provincial election, we were led to believe that with the combined health services program, nursing homes and home care services would be covered effective April 1, 1972, with no mention made that there would be restrictions to qualify.

Now we are advised that only persons who need supervised medication or are incapacitated

physically or mentally will be eligible for the insured care, and there will also be a means test.

The Health Department is already bracing itself for complaints from the general public who discover they are ineligible for the new coverage, and well they should.

Labour has been opposed to any type of a means test and we consider this latest move by the government as a regressive step.

Over the years we have suggested that a proper medicare plan for Ontario should emphasize health care rather than merely providing insurance. It should cover hospital services, drugs, nursing homes and home nursing care.

We suggest the government amend the legislation to cover all persons requiring nursing home care or home nursing without a means test.

## *Day Care*

Of all the social services none is more pressing than the need for day care facilities.

With over 300,000 working mothers in Ontario, we have, according to the provincial Department of Labour, fewer than 30,000 children in half-day and full-day nurseries.

This means thousands of working mothers face the difficult emotional decision of how and where their children will be cared for while they work.

The \$10 million allocated by the government for the building of new day care centres

has proven to be a far cry from what is needed to meet the need. There will be a large number of municipalities that, because of lack of resources, will not be able to raise their share to the cost to qualify for the grants provided by the senior levels of government for such centres.

We suggest that if the Women's Equal Employment Opportunity Act is to have meaning, provisions for adequate day care centres throughout Ontario must be provided.

## *Conservation and Pollution Control*

For some time now we have advocated the establishment of an environmental ministry. Your government's implementation of this step is welcomed, and indicates a desire to begin coordinating the different departments involved in the work of conservation and pollution control.

However we find that the main concentration of efforts is directed to prevent pollution that is caused by private persons — bottles, littering, phosphates, problem of snowmobiles, junk automobiles, etc., but when it come to pollution by corporations in the areas of gravel pits cleanup and conservation, mine, mill and



factory pollution of both air and water, and penalizing corporations, your efforts are minimal and more hesitant.

There is a need for greater coordination and development of standards, setting of severe penalties commensurate with the crime, and strict enforcement without favours.

Greater efforts are needed to conserve our natural resources and safeguard our parks and beaches for the purpose they were intended. The developers must be restrained from making our urban centres unrecognizable dark jungles of concrete and glass.

Our urban transportation systems should be studied and plans made so that we could

curb the encroachment of the auto on our lives, and lessen the congestion and the noise, air and aesthetic pollution of our urban environment.

Both the carrot and the stick method will have to be used to make polluters and those destroying our environment become good citizens.

We resent the scare tactics contained in the argument "jobs versus pollution control" used by some politicians, as if these were the only options open to us. We can have pollution control and jobs. In fact, a serious campaign against pollution could create jobs.

## *Housing*

Housing costs have been rising so rapidly that they have priced most working people out of the market. This is due to the rising cost of money, building and land. It is the cost of land that we can do something about.

The government must quickly and methodically assemble land in the metropolitan areas to meet the rising need for land for housing.

At present the land acquisition is being done by a few large developers in each area. Rather than buying land from the developers at inflated prices as the need arises, the government itself should be assembling land. In this way, they would keep the land costs from escalating, and in the process would recover some of the cost of buying through the savings they would make. In addition, the government

could in this way influence the direction of the development of housing.

Investing in land is a profitable business. Some of the money needed would come from the investment rather than from taxes as at present. Rather than concentrating on middle and upper income housing, land acquired by the government in this way could be made available for low income housing.

A method of reducing the mortgage cost of housing is to make mandatory a provision that more of our pension funds be used for land banking by the government.

But in particular, the government has to mount a massive program of building low income housing.

## *Education*

The labour movement in Ontario has always taken a great interest in the educational system of the province. At every convention of the OFL, resolutions are passed dealing with this subject.

The Federation has in the past submitted a number of briefs to the various committees and

commissions set up to deal with education. Just recently we appeared before the Commission on Post Secondary Education to make known the views of the labour movement on this important matter.

We believe that some far-reaching changes should be made in the education system and for

that reason we have supported the Hall-Dennis Report. We are sorry to say that the provincial government has not yet seen fit to actively promote the implementation of the recommendations made in this report.

We are concerned about the curriculum in our schools and in particular about the lack of proper teaching of the role of the trade union movement in our society. This is so because our textbooks, if they refer to the matter at all, contain very biased views about the trade union movement.

We would draw your attention to *Teaching Prejudice*, a report by McDiarmid and Pratt prepared for the Ontario Human Rights Commission. We quote from page 110 of the report:

*To ensure the fair treatment in textbooks of all minorities, we recommend that further studies be conducted in the future to assess progress in the treatment of subcultures in our society, including ethnic, racial, and religious minorities, and to assess the treatment of such other groups as women, the poor, youth, the aged, trade unionists, and political minorities.*

*Finally, since the whole matter of inter-group relations is of national importance, we recommend that all teacher education authorities give this matter top priority in developing their instructional programs.*

We urge your government to take steps to have textbooks produced in the province of

Ontario, and where possible, written by Canadians. Some of these should contain material to promote a better understanding of the trade union movement. In addition, the printing of textbooks in Ontario would provide much needed employment in the printing industry.

Many times in the past we have pointed out that we do not agree with the present system of financing education. An inordinately large portion of our education costs are still being borne by the homeowners with their property taxes. Recent increases in the school tax have created a situation in which many people are unable to pay these taxes and are therefore selling their homes. This is true in particular of older people. The Federation has always believed that the cost of education should be equally distributed on the basis of income rather than the basis of home ownership. This would provide a much more just system of paying for the cost of education than the present one. We therefore urge your government to take steps to institute a system of equal distribution of education costs, according to the income of the Ontario residents.

Finally we believe that tuition fees should be abolished and educational facilities made available to all students who are qualified, rather than only to those who are able to pay for higher education. In this respect, the recent raising of tuition was retrogressive and will create hardships for many students.



# Conclusion

We have placed before you our views on a variety of issues. We have done so in brief outline, and have not in any case included all the matters that are of concern to us and which properly come within your domain. We are prepared upon request, or on the appropriate occasion, to make our views known in greater detail on these and related matters.

We are convinced that in addressing you today we speak not only for the organized workers whom we represent directly, but also for large numbers of other Canadians whose views and aspirations are also reflected in what we have had to say.

We present these views for your consideration and hope you give the contents of this submission your careful attention and will act expeditiously on those matters that are clearly urgent in character.

Respectfully submitted on behalf of the Ontario Federation of Labour.

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April, 1972













